

HOUSE BILL 2072
By Turner (Dav)

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 6, Part 3, relative to sales tax on food purchased by certain qualified elderly individuals.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following new section:

(a) The sale of food or food products for human consumption purchased by qualified elderly individuals shall be exempt from the sales and use tax levied by this chapter.

(b) Except as otherwise provided in this section:

(1) "Food or food products" means any item that is eligible for purchase with food coupons issued by the United States Department of Agriculture pursuant to the Food Stamp Act of 1977 (7 U.S.C. §§ 2011 et seq.) as it may be amended from time to time, regardless of whether the dealer from which the food or food products are purchased is participating in the food stamp program.

"Food or food products" does not include items sold for consumption on the premises of the dealer or items sold for immediate consumption off the

premises of the dealer. "Items sold for immediate consumption" include, but are not limited to, food or food products in a heated state; sandwiches suitable for immediate consumption; prepared meals, salads and similar delicatessen items sold in a grocery or similar establishment upon which an act of preparation has been performed, including but not limited to cooking, mixing, blending or heating; salad bars; party platters or delicatessen trays; drinks dispensed in or with a cup or glass either by a dealer or on a self-service basis by the consumer; frozen yogurt, ice cream, or ice milk sold in single or individual servings; and all food served by, or sold in or by, restaurants, fast food outlets, carryout shops (such as donut, ice cream, or coffee shops), lunch counters, cafeterias, snack bars, hot dog carts, hotels, caterers, boarding houses, movie theaters, concerts, athletic events, or like places of business.

(2) "Qualified elderly individual" means an individual who is sixty-five (65) years of age or older whose income from all sources is thirty thousand dollars (\$30,000) or less for a single person and sixty thousand dollars (\$60,000) or less for a married couple.

(c) The commissioner is authorized to make a final determination after a hearing, if demanded, as to whether a qualified elderly individual is entitled to the benefit of the exemption established by this section. The commissioner is authorized to issue exemption certificates to qualified elderly individuals who, in the commissioner's judgment, are entitled thereto.

(d) The commissioner is authorized to promulgate necessary rules and regulations in accordance with Tennessee Code Annotated, Title 4, Chapter 5, to implement the provisions of this section.

SECTION 2. This act shall take effect July 1, 2001, the public welfare requiring it.